FILE COPY

FILED
SEP 8 1947
CLERK

# Supreme Court of the United States.

OCTOBER TERM, 1947.

No. 332

THE COCA-COLA COMPANY, *Petitioner*,

*v.*

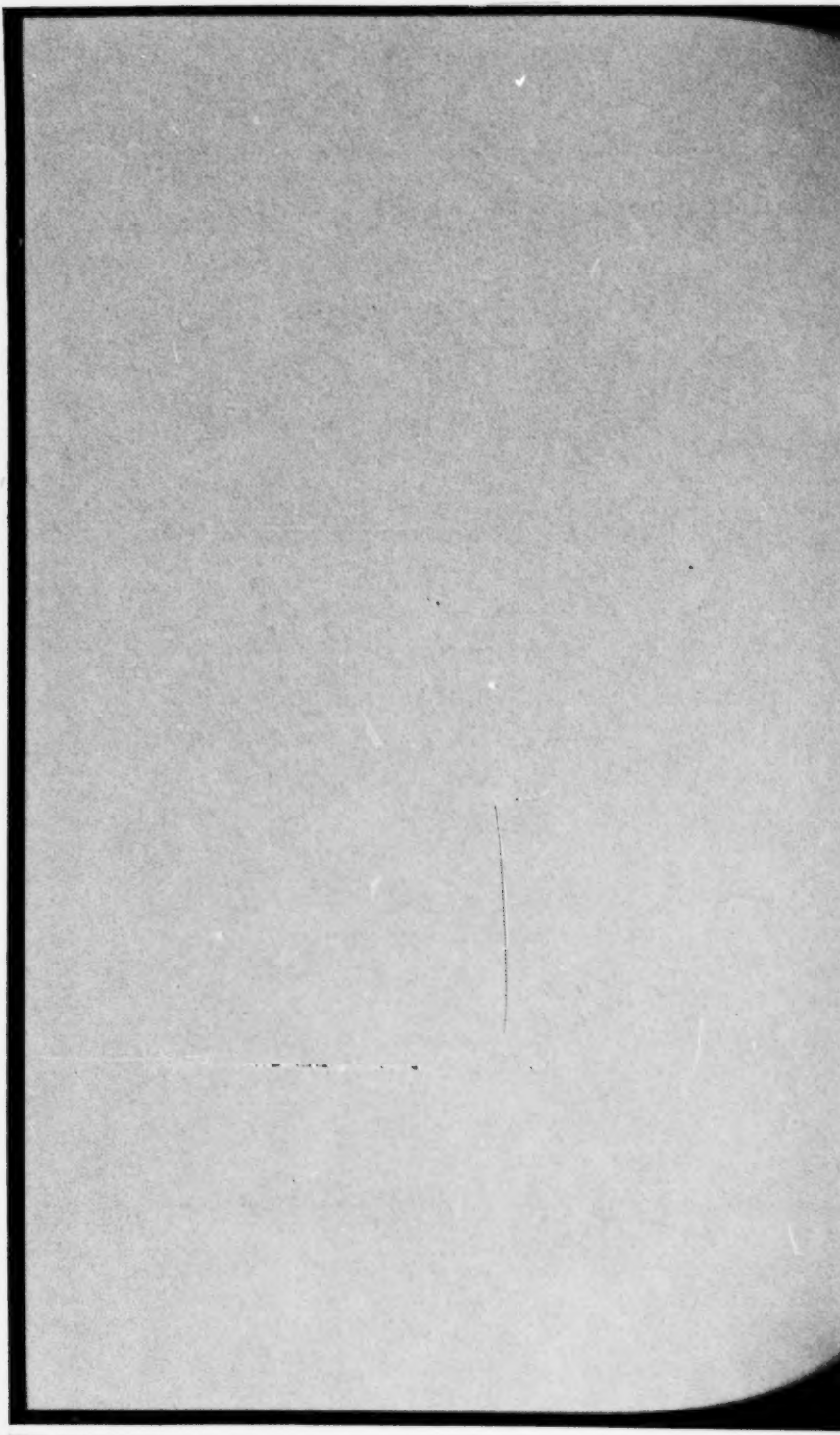
SNOW CREST BEVERAGES, INC., *Respondent*.

## PETITION OF THE COCA-COLA COMPANY FOR THE WRIT OF CERTIORARI TO THE CIRCUIT COURT OF APPEALS FOR THE FIRST CIRCUIT AND BRIEF IN SUPPORT THEREOF.

POPE F. BROCK,
HUGH D. McLELLAN,
*Attorneys for Petitioner.*

HERRICK, SMITH, DONALD, FARLEY & KETCHUM,
SPALDING, SIBLEY, TROUTMAN & KELLEY,
DAPHNE ROBERT,
*Of Counsel.*

ADDISON C. GETCHELL & SON, LAW PRINTERS, BOSTON.



## Index.


| | Page |
|---|---|
| Petition | 1 |
| Jurisdiction | 2 |
| Summary statement of matter involved | 2 |
| Questions presented | 3 |
| Reasons for granting certiorari | 4 |
| Brief in support of petition | 7 |
| Opinions below | 7 |
| Jurisdiction | 7 |
| Specification of errors | 7 |
| Statement of the case | 8 |
| Argument | 10 |
| The decision of the Circuit Court of Appeals is erroneous and is in conflict with numerous decisions in other circuits | 10 |
| A. The statutes | 10 |
| B. The law of infringement | 11 |
| C. The conflict of cases | 16 |
| D. Conclusion | 18 |


## Cases and Authorities Cited.


| | |
|---|---|
| A. Bourjois & Co. v. Katzel, 260 U.S. 689 | 12 |
| Bickmore Gall Cure v. Karns, 134 F. 833 | 14 |
| Cleo Syrup Corp. v. Coca-Cola Co., 139 F. (2d) 416; cert. den. 321 U.S. 781 | 4, 14, 17, 18 |
| Coca-Cola Co. v. Belinsky, 57 F. Supp. 120 | 4, 15, 16, 18 |
| Coca-Cola Co. v. Chero-Cola Co., 273 F. 755 | 4, 15, 18 |
| Dixi-Cola Laboratories, Inc., v. Coca-Cola Co., 117 F. (2d) 352; 155 F. (2d) 59 | 4, 15, 16, 18 |
| Coca-Cola Co. v. Gay-Ola Co., 200 F. 720; cert. den. 229 U.S. 613 | 4, 15, 18 |
| Coca-Cola Co. v. Nashville Syrup Co., 215 F. 527 | 4, 18 |

| | Page |
|---|---|
| Coca-Cola Co. v. Old Dominion Beverage Corp., 271 F. 600; cert. den. 256 U.S. 703 | 4, 14, 18 |
| Coca-Cola Co. v. Old Dominion Beverage Corp. (E.D. Va.) No. 39, Equity, 1922 | 4, 14 |
| Dow Chemical Co. v. Halliburton Oil Well Cementing Co., 324 U.S. 320 | 5 |
| Du Pont Powder Co. v. Masland, 244 U.S. 100 | 12 |
| Fairbank v. Bell, 77 F. 869 | 14 |
| Fashion Guild v. Federal Trade Commission, 312 U.S. 457 | 5, 17 |
| Federal Trade Commission v. Algoma Co., 291 U.S. 67 | 15 |
| Federal Trade Commission v. Royal Milling Co., 288 U.S. 212 | 12 |
| Federal Trade Commission v. Winsted Hosiery Co., 258 U.S. 483 | 15 |
| Florence Mfg. Co. v. Dowd, 178 F. 73 | 14 |
| Hilson v. Foster, 80 F. 896 | 14 |
| Jose B. Lopez v. Jackson Brewing Co., 94 F. (2d) 964 | 14 |
| Katzinger v. Chicago Metallic Mfg. Co., 329 U.S. 394 | 5 |
| Klaxon Co. v. Stentor Mfg. Co. Inc., 313 U.S. 487 | 5 |
| Menendez v. Holt, 128 U.S. 514 | 12 |
| Mishawaka Rubber & Woolen Mfg. Co. v. Kresge Co., 316 U.S. 203 | 11 |
| My-T Fine Corp. v. Samuels, 69 F. (2d) 76 | 14 |
| Prestonettes, Inc., v. Coty, 264 U.S. 359 | 12 |
| Rice & Hutchins, Inc., v. Vera Shoe Co., 290 F. 124 | 14 |
| Sanitary Refrigerator Co. v. Winters, 280 U.S. 30 | 5, 17 |
| Street & Smith v. Atlas Mfg. Co., 231 U.S. 348 | 5 |
| Thaddeus Davids Co. v. Davids Mfg. Co., 233 U.S. 461 | 13 |
| Time, Inc., v. Ultem, 96 F. (2d) 164 | 14 |

Page

United Drug Co. v. Rectanus Co., 248 U.S. 90 12
Warner & Co. v. Lilly & Co., 265 U.S. 526 15
Warner v. New Orleans, 167 U.S. 467 5

Webster's New International Dictionary (2d ed.), p. *l*, § 212 2, 8

**Statutes Cited.**

Judicial Code, Sec. 240 (a) (28 U.S.C. 347 (a)) 2, 7
Trade-Mark Act of 1905 (15 U.S.C. 81 *et seq.*) 7, 10
15 U.S.C. 96 10
Trade-Mark Act of 1946 (15 U.S.C. 1051 *et seq.*) 10, 11
15 U.S.C. 1114 10
15 U.S.C. 1122 2, 5, 7
15 U.S.C. 1127 10

**Congressional Reports Cited.**

House Report No. 219, 79th Congress, Second Session 11, 13
Senate Report No. 1333, 79th Congress, Second Session 11, 13

# Supreme Court of the United States.

---

OCTOBER TERM, 1947.

---

THE COCA-COLA COMPANY, *Petitioner*,

*v.*

SNOW CREST BEVERAGES, INC., *Respondent.*

---

## PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE FIRST CIRCUIT.

*To the Honorable Chief Justice of the United States and the Associate Justices of the Supreme Court of the United States:*

Your petitioner, The Coca-Cola Company, respectfully prays that the writ of certiorari issue to review the judgment of the United States Circuit Court of Appeals for the First Circuit entered on June 10, 1947, affirming the judgment of the District Court of the United States for the District of Massachusetts entered on March 25, 1946, dismissing the complaint. The opinion of the District Court is reported in 64 F. Supp. 980. The opinion of the Circuit Court of Appeals is reported in 162 F. (2d) 280, and also appears on pages 494 to 504 of the Record.

**Jurisdiction.**

The Circuit Court of Appeals entered its judgment on June 10, 1947, pursuant to an opinion rendered on the same day. The jurisdiction of this Court is invoked under Section 240 (a) of the Judicial Code, as amended by the Act of February 13, 1925 (28 U.S.C. Sec. 347 (a)); and under the Act of July 5, 1946 (15 U.S.C. Sec. 1122).

**Summary Statement of Matter Involved.**

This action was brought to enjoin infringement of the petitioner's registered trade-mark "Coca-Cola" by respondent's colorable imitation "Polar Cola" [1] applied to competing goods, the use of which resulted in the widespread passing off of Polar Cola on calls for Coca-Cola. The passing off was caused by the use of the colorable imitation and was suggested to dealers by respondent's imitation of petitioner's registered trade-mark, imitation of petitioner's product in color, appearance and taste, imitation of petitioner's advertising color scheme, imitation of petitioner's script form of writing its trade-mark, and imitation of petitioner's trade slogan "Delicious and Refreshing."

Petitioner, The Coca-Cola Company, is a Delaware corporation and owns the trade-mark "Coca-Cola." For more than sixty years petitioner and its predecessors have manufactured and sold in interstate commerce a soft drink syrup and beverage under the trade-mark "Coca-Cola."

Respondent, Snow Crest Beverages, Inc., is a Massachusetts corporation which manufactures and sells a soft drink under the name "Polar Cola" in competition with Coca-Cola.

---

[1] Generally pronounced "Pola Cola." See Webster's New International Dictionary (2d ed.), p. *l*, § 212, of the section "A Guide to Pronunciation."

During recent years the respondent's trade has been carried on almost exclusively in bars and taverns. Eighty-two bars and taverns in the Boston area were investigated by petitioner, with this result: *Forty-seven bars and taverns passed off Polar Cola 671 times on 805 orders for Coca-Cola.* Thirty-three were found not to have Polar Cola for sale. *Two* others were found to have Polar Cola but they did not pass it off for Coca-Cola on the one occasion each was visited.

In the District Court, where its complaint was dismissed and all relief denied, and in the Circuit Court of Appeals, where the judgment was affirmed, petitioner contended that—

1. "Polar Cola" infringes "Coca-Cola" as a matter of law.
2. "Polar Cola" infringes "Coca-Cola" and its use has actually resulted in widespread passing off.
3. Respondent's use of "Polar Cola" constitutes unfair competition and should be enjoined.

**Questions Presented.**

1. Is not "Polar Cola," [2] because of *phonetic similarity* to the registered trade-mark "Coca-Cola," as a matter of law, a colorable imitation of "Coca-Cola" within the meaning of the Federal trade-mark statutes when the mark is used on competing goods?

2. Since the scope of the Federal trade-mark statutes is nation-wide, may a Court nullify the protection granted a trade-mark registered thereunder by holding that "Polar Cola" does not infringe "Coca-Cola" (First Circuit) when another Circuit Court of Appeals has held that "Apola Cola" does infringe "Coca-Cola" (Fourth Circuit) and

[2] Pronounced "Pola Cola." See page 2, *supra*.

a United States District Court has held that "Polo-Kola" infringes "Coca-Cola" (Sixth Circuit), the consequence of which is that "Polar Cola" may be used in Boston, but not in Richmond or Detroit?

**Reasons for Granting Certiorari.**

The decision of the Circuit Court of Appeals for the First Circuit is in conflict with the decisions of Federal Courts in other circuits.

Some of the cases involving infringements of the trade-mark "Coca-Cola" and in conflict with the decision in this case are cited in the margin.[3]

These cases show that in the Fourth Circuit "Lola Kola," "Apola Cola," "Taka-Kola" and "Takola" are colorable imitations of "Coca-Cola"; in the Sixth Circuit Court "Polo-Kola," "Gay-Ola" and "Fletcher's Coca Cola" are colorable imitations of "Coca-Cola"; in the

[3] Coca-Cola Company v. Gay-Ola Co. (C.C.A. 6), 200 F. 720—"Gay-Ola."

Coca-Cola Company v. Nashville Syrup Co. (C.C.A. 6), 215 F. 527—"Fletcher's Coca Cola."

Coca-Cola Company v. Old Dominion Beverage Corp. (C.C.A. 4), 271 F. 600—"Taka-Kola."

Coca-Cola Company v. Old Dominion Beverage Corp. (E.D. Va.) No. 39, Equity, 1922.

Coca-Cola Company v. Chero-Cola Co. (C.A.D.C.), 273 F. 755—"Chero-Cola."

Dixi-Cola Laboratories, Inc., v. Coca-Cola Company (C.C.A. 4), 117 F. (2d) 352—(deciding that the "mere use" of the name "Dixi-Cola" is not an infringement of the trade-mark "Coca-Cola" and that the marks "Lola Kola" and "Apola Cola" do infringe the trade-mark "Coca-Cola"). See also same case at 155 F. (2d) 59.

Cleo Syrup Corp. v. Coca-Cola Company (C.C.A. 8), 139 F. (2d) 416—"Cleo-Cola."

Coca-Cola Company v. Belinsky (E.D. Mich.), 57 F. Supp. 120—"Polo-Kola."

Eighth Circuit Cleo-Cola is a colorable imitation of "Coca-Cola"; and in the District of Columbia "Chero-Cola" is a colorable imitation of "Coca-Cola"; and this Court, speaking through Mr. Justice Holmes, affirmed a decree enjoining "Koke" as a colorable imitation of "Coca-Cola"; but in the face of all this, the Court below has held that "Polar Cola" is *not* a colorable imitation of "Coca-Cola."

Thus the decision in this case has created a situation in which marks which have been or would be enjoined in several of the circuits of the United States as being colorable imitations of the trade-mark "Coca-Cola" would not be colorable imitations in the First Circuit and could be used there with impunity.

Trade-marks, like patents, require uniform adjudication throughout the circuits, and petitions for certiorari in both types of cases are on a parity.[4] This Court has frequently resolved conflicting decisions in the Circuit Courts involving the validity of patents;[5] the infringement of patents where validity is conceded;[6] and acts of unfair competition.[7] This Court has also granted certiorari to achieve uniformity of result in fixing substantive rights under the Federal Laws.[8]

The decision of the Court below, if allowed to stand, will narrow the scope of protection of registered trade-marks, in conflict with the applicable decisions of this Court and in conflict with the express intent of Congress to broaden such protection, as is made manifest in the legislative his-

---

[4] *Street & Smith* v. *Atlas Mfg. Co.*, 231 U.S. 348; 15 U.S.C. Sec. 1122.

[5] *Dow Chemical Co.* v. *Halliburton Oil Well Cementing Co.*, 324 U.S. 320; *Katzinger* v. *Chicago Metallic Mfg. Co.*, 329 U.S. 394.

[6] *Sanitary Refrigerator Co.* v. *Winters*, 280 U.S. 30.

[7] *Fashion Guild* v. *Federal Trade Commission*, 312 U.S. 457.

[8] *Klaxon Co.* v. *Stentor Mfg. Co. Inc.*, 313 U.S. 487; *Warner* v. *New Orleans*, 167 U.S. 467.

tory and context of the Trade-Mark Act of 1946 (Lanham Act).

The decision of the Court below, if allowed to stand, will reduce the law of infringement and unfair competition to a plausible but ineffective theory, and will become a precedent for court sanction of confusion and deception of the public in conflict with the applicable decisions of this Court and with the overwhelming weight of authority and against the express intent of the Federal Trade-Mark statutes.

Because of the sharp conflict between the decision of the Court below and the overwhelming weight of authority, and particularly in the light of recent Congressional action on the subject of trade-marks and unfair competition, the subject-matter of this petition is of public, economic and industrial importance.

WHEREFORE your petitioner respectfully prays that this petition for the writ of certiorari be granted.

POPE F. BROCK,
HUGH D. McLELLAN,
*Attorneys for Petitioner.*

HERRICK, SMITH, DONALD, FARLEY & KETCHUM,
1 Federal Street, Boston 10, Massachusetts,
SPALDING, SIBLEY, TROUTMAN & KELLEY,
434 Trust Co. of Georgia Bldg., Atlanta 3, Georgia,
DAPHNE ROBERT,
P.O. Box 1734, Atlanta 1, Georgia,
*Of Counsel.*

# BRIEF IN SUPPORT OF PETITION.

## Opinions Below.

The opinion of the District Court is reported in 64 F. Supp. 980. The opinion of the Circuit Court of Appeals is reported in 162 F. (2d) 280, and also appears on pages 494 to 504 of the Record.

## Jurisdiction.

The judgment was rendered in a civil action brought under the trade-mark statutes of the United States to determine the issues of infringement of a trade-mark registered under the Trade-Mark Act of 1905 (15 U.S.C. 81 *et seq.* and unfair competition. Jurisdiction of this Court is invoked under Section 240 (a) of the Judicial Code, as amended by the Act of February 13, 1925 (28 U.S.C. 347 (a)); and under the Act of July 5, 1946 (15 U.S.C. 1122).

## Specification of Errors.

The Circuit Court of Appeals for the First Circuit erred—

1. In failing to conclude that "Polar Cola," as a matter of law, is a colorable imitation of the registered trade-mark "Coca-Cola."

2. In holding that "Polar Cola" is not a colorable imitation of the registered trade-mark "Coca-Cola," thereby creating a conflict between its decision and decisions in other circuits.

3. In failing to hold that the use of "Polar Cola," particularly under the proved circumstances surrounding its use and the resulting passing off, constitutes infringement and unfair competition.

4. In failing to reverse the decree of the District Court directing entry of judgment dismissing the complaint.

**Statement of the Case.**

Petitioner seeks a review of the decision of the Circuit Court of Appeals for the First Circuit holding that "Polar Cola" [1] does not infringe "Coca-Cola."

A brief history of respondent's adoption and use of "Polar Cola" follows:

1. In 1935 it produced a soft drink imitating petitioner's in appearance, taste and color. The color of both products is obtained by the use of caramel, which has no food value, is purely decorative and does not affect the flavor of the beverage (R. 283, 441).

2. It selected as a name for its product the word "Sno," an abridged spelling of "Snow," the prefix of its well-advertised mark "Snow Crest," and combined it with the word "Kola," the suffix of petitioner's trade-mark except for the substitution of "K" for "C" in the spelling (R. 381). The name thus formed, "Sno Kola," was later changed in spelling to "Sno Cola" (Exhibit D, R. 313; Finding 8, R. 15).

3. The mark "Sno Kola," later "Sno Cola," was displayed in white block letters on a small triangular red field in a silvery white background (Exhibit 1, R. 95).

4. In 1937 (while not discontinuing its sales under the mark "Sno Cola") respondent adopted another name for the same product by dropping the word "Cub" from its well-advertised mark "Polar Cub" and joining the word "Polar" to "Kola" (R. 15). The spelling was later changed to "Polar Cola" (R. 15, 458, 459, 468).

---

[1] Generally pronounced "Pola Cola." See Webster's New International Dictionary (2d ed.), p. *l*, § 212, of the section "A Guide to Pronunciation."

5. In 1937, or earlier, respondent used on its "Polar Cola" and "Sno Cola" labels for its 12-ounce bottles the words "Double Size," as to which the trial Court found:

> " 'Double Size' was a description which, in view of the wide market for Coca-Cola, the normal buyer of soft drinks would interpret as 'double the size of a Coca-Cola bottle' " (Finding 9, R. 16).

6. In 1937, or earlier, respondent used on its "Polar Cola" labels an imitation of petitioner's well-known slogan: "Delicious and Refreshing."

7. Respondent's original labels for "Polar Cola" and "Sno Cola" displayed the marks in *white block letters* on a *blue* background; but about 1940 it changed its color scheme to white block letters on a red background (Exhibit D, R. 313; Exhibits 30-51, R. 48-51, incl.). Petitioner has always displayed its trade-mark "Coca-Cola" in a color combination of *red* and *white* (R. 437).

8. At about the same time, respondent substituted for the block letters a style of writing "Polar Cola" which the trial Court said "approaches script" (Exhibit D, R. 313; Exhibits 30-51, R. 47-52, incl.; Finding 11, R. 16). Petitioner has always written its trade-mark "Coca-Cola" *in script* (R. 433). The obvious reason for respondent's making these changes was to approximate "Coca-Cola" at every point.

9. Respondent did not attempt to justify its progressive approach to petitioner's distinguishing features, but attempted to excuse its use of "Cola" in "Sno Cola" and "Polar Cola" on the ground it is a generic word common to the trade. *However, respondent does not make use of the word in a generic sense, but as an integral part of its mark* (Finding 9, R. 15, 459, 460).

10. In arriving at its final choice of a mark to use on its product, respondent experimented with three marks—"Sno Cola," "Polar Cola" and "Cubola" (Findings 8, 9; R. 15, 455, 458), and at last selected and used exclusively, until this action was brought, a name the prefix of which contains both the letters "o" and "a" found in the prefix of petitioner's trade-mark "Coca-Cola," and the suffix of which is an exact copy of the suffix of petitioner's trade-mark "Coca-Cola."

The result of respondent's conduct was the widespread passing off of "Polar Cola" as and for "Coca-Cola."

## Argument.

THE DECISION OF THE CIRCUIT COURT OF APPEALS IS ERRONEOUS AND IS IN CONFLICT WITH NUMEROUS DECISIONS IN OTHER CIRCUITS.

### *A. The Statutes.*

This action was brought under the Trade-Mark Act of 1905,[2] which, on July 5, 1947, was supplanted by the Trade-Mark Act of 1946.[3] Under each of these Acts a right of action is afforded the owner of a registered mark to suppress the use of a colorable imitation.[4]

"Colorable imitation" is defined in the Act of 1946 as follows:[5]

> "The term 'colorable imitation' includes any mark which so resembles a registered mark as to be likely to cause confusion or mistake or to deceive purchasers."

---

[2] 15 U.S.C. 81 *et seq.*
[3] 15 U.S.C. 1051 *et seq.*
[4] 15 U.S.C. 96 and 1114.
[5] 15 U.S.C. 1127.

Section 47 (b) of the Act of 1946 [6] provides, among other things, that in any case in which an appeal is pending before any United States Circuit Court of Appeals or the United States Supreme Court at the effective date of the Act (July 5, 1947) the Court, if it be of the opinion that the provisions of the Act are applicable to the subject-matter of the appeal, may apply such provision or may remand the case to the District Court for the taking of additional evidence or a new trial or for reconsideration of the decision on the record as made, as the Appellate Court may deem proper.

### *B. The Law of Infringement.*

The purpose underlying the protection of trade-marks, as was stated by the Congressional Committees in reporting favorably the Trade-Mark Act of 1946,[7] is twofold: "One is to protect the public so it may be confident that, in purchasing a product bearing a particular trade-mark which it favorably knows, it will get the product which it asks for and wants to get. Secondly, where the owner of a trade-mark has spent energy, time, and money in presenting to the public the product, he is protected in his investment from its misappropriation by pirates and cheats. This is the well-established rule of law protecting both the public and the trade-mark owner."

As was said in a recent case, "The protection of trade-marks is the law's recognition of the psychological function of symbols." [8]

---

[6] Note following 15 U.S.C. 1051.

[7] House Report No. 219, 79th Congress, Second Session; Senate Report No. 1333, 79th Congress, Second Session.

[8] *Mishawaka Rubber & Woolen Mfg. Co.* v. *Kresge Co.*, 316 U.S. 203.

And Mr. Justice Holmes, in an earlier case, nicely evaluated the situation when he stated that a trade-mark deals with "a delicate matter that . . . easily is destroyed, and therefore should be protected with corresponding care." [9] "It stakes the reputation of the [owner of the mark] upon the character of the goods." [10]

"[Trade-marks] constitute valuable business assets in the nature of good will . . ."; [11] and a trade-mark "gives the right to prohibit the use of it so far as to protect the owner's good will against the sale of another's product as his." [12] While the owner of a trade-mark may not, like the proprietor of a patented invention, make a negative and merely prohibitive use of it,[13] he is secured in his property represented by the good will of his business, and he is protected against trade piracy and swindling. Property, as applied to trade-marks, is "an unanalyzed expression of certain secondary consequences of the primary fact that the law makes some rudimentary requirements of good faith." [14]

In connection with passage of the new Trade-Mark Act, the Committees of Congress expressed in clear and unequivocal language the underlying reasons for protecting trade-marks. The Reports of both the House and the Senate Committees state:

> "Trade-marks, indeed, are the essence of competition, because they make possible a choice between competing articles by enabling the buyer to distinguish one from the other. Trade-marks encourage the main-

---

[9] *A. Bourjois & Co.* v. *Katzel*, 260 U.S. 689, 692.

[10] *Bourjois* case, *supra*; *Menendez* v. *Holt*, 128 U.S. 514.

[11] *Federal Trade Commission* v. *Royal Milling Co.*, 288 U.S. 212, 217.

[12] *Prestonettes, Inc.*, v. *Coty*, 264 U.S. 359, 368.

[13] *United Drug Co.* v. *Rectanus Co.*, 248 U.S. 90, 97-98.

[14] *Du Pont Powder Co.* v. *Masland*, 244 U.S. 100, 102.

> tenance of quality by securing to the producer the benefit of the good reputation which excellence creates. To protect trade-marks, therefore, is to protect the public from deceit, to foster fair competition and to secure to the business community the advantages of reputation and good will by preventing their diversion from those who have created them to those who have not." [15]

The protection to registered marks afforded under the trade-mark statutes is not limited to exact copies or reproductions. The use of "colorable imitations" of registered marks is also prohibited.[16] And in determining what constitutes a colorable imitation, regard must be had to the nature of the mark and its secondary, as distinguished from its primary, significance. As was said by this Court, speaking through Mr. Justice Hughes, in the *Davids* case, *supra,* in which "C. I. Davids" was held to be a colorable imitation of "Davids":

> "The distinction between permissible and prohibited uses may be a difficult one to draw in particular cases but it must be drawn in order to give effect to the act of Congress. That the distinction may readily be observed in practice is apparent. In this case, for instance, if the defendants had so chosen, they could have adopted a distinct mark of their own, which would have served to designate their inks and completely to distinguish them from those of the complainant."

A man imitates and approximates, not for the purpose of distinguishing, but for the purpose of *not* distinguish-

[15] House Report No. 219, 79th Congress, Second Session; Senate Report No. 1333, 79th Congress, Second Session.

[16] *Thaddeus Davids Co.* v. *Davids Mfg. Co.,* 233 U.S. 461, 469, 471.

ing. When he imitates the marks-in-trade of a successful rival, he does not do so to avoid confusion, but to bring about confusion. When he progressively and deliberately approximates another's distinguishing features, it must be presumed that he intended to bring about confusion, and, even in the absence of proof of confusion, deception and passing off, he will not be heard to say: "I tried to commit a fraud and failed." But when actual confusion, deception and passing off are proved, the imitator is presumed to have *intended* the consequences of his acts.[17]

The central relevant fact in this case is that the only sign, symbol, act or word which is relied on in the market place to identify soft drinks is the spoken order given by customers. The public generally calls for the product by *name*. The test of infringement, therefore, is in no sense and in no degree a visual one. It is wholly a *phonetic test;* and the phonetic similarity between "Polar Cola" and "Coca-Cola" is striking. Respondent's step-by-step imitation of petitioner's soft drink, color scheme, script form of writing and trade slogan was not so much for the purpose of *directly* confusing the public as it was for suggesting to dealers, subtly but effectively, that the product could be passed off as and for Coca-Cola. The product actually *was* passed off on a large scale and the result was widespread deception of the public.

"Polar Cola" is a colorable imitation of "Coca-Cola," as are "Cleo Cola,"[18] "Taka-Kola" and "Takola,"[19]

[17] *Bickmore Gall Cure* v. *Karns*, 134 F. 833; *Time, Inc.*, v. *Ultem*, 96 F. (2d) 164; *My-T Fine Corp.* v. *Samuels*, 69 F. (2d) 76; *Florence Mfg. Co.* v. *Dowd*, 178 F. 73; *Rice & Hutchins, Inc.*, v. *Vera Shoe Co.*, 290 F. 124; *Jose B. Lopez* v. *Jackson Brewing Co.*, 94 F. (2d) 964; *Hilson* v. *Foster*, 80 F. 896; *Fairbank* v. *Bell*, 77 F. 869; *Coca-Cola Co.* v. *Old Dominion Beverage Corp.*, 271 F. 600 (E.D. Va.) No. 39, Equity, 1922.

[18] *Cleo Syrup Corp.* v. *Coca-Cola Co.*, 139 F. (2d) 416; cert. den. 321 U.S. 781.

[19] *Coca-Cola Co.* v. *Old Dominion Beverage Corp.*, 271 F. 600.

"Polo-Kola," [20] "Gay-Ola," [21] "Chero-Cola," [22] "Apola Cola" and "Lola Kola." [23]

It is illogical to say, as the Courts below did, that the passing off was the spontaneous act of the dealers. Imitation of name, product, color scheme, script form of writing and slogan amounts to more than a subtle suggestion to dealers to pass off. It amounts, as was said by Mr. Justice Brandeis, to "putting into the hands of the retailer an unlawful instrument, which enables the retailer to increase his own sales of the dishonest goods, thereby lessening the market for the honest product. That a person is a wrongdoer who so furnishes another with the means of consummating a fraud has long been a part of the law of unfair competition. And trade-marks which deceive the public are denied protection although members of the trade are not misled thereby." [24]

Mr. Justice Cardozo appropriately said that "the public is entitled to get what it chooses, though the choice may be dictated by caprice or by fashion or perhaps by ignorance." [25]

In the present case the trial Court found: "It is possible that when a consumer orally ordered Polar Cola a bartender or waiter might understand the order to be Coca-Cola . . ." [26] Under this statement of fact, "Coca-Cola" would be a colorable imitation of "Polar Cola," except for the fact that "Coca-Cola" was first in the field. The trial Court then followed with its finding: "but it is

---

[20] *Coca-Cola Co.* v. *Belinsky*, 57 F. Supp. 120.

[21] *Coca-Cola Co.* v. *Gay-Ola Co.*, 200 F. 720; cert. den. 229 U.S. 613.

[22] *Coca-Cola Co.* v. *Chero-Cola Co.*, 273 F. 755.

[23] *Dixi-Cola Laboratories, Inc.*, v. *Coca-Cola Co.*, 117 F. (2d) 352.

[24] *Federal Trade Commission* v. *Winsted Hosiery Co.*, 258 U.S. 483, 494; *Warner & Co.* v. *Lilly & Co.*, 265 U.S. 526, 530.

[25] *Federal Trade Commission* v. *Algoma Co.*, 291 U.S. 67, 78.

[26] Finding 38 (e), 64 F. Supp. 980, 991.

unlikely that when a consumer ordered Coca-Cola a bartender or waiter acting in good faith would understand Polar Cola." Is this to say that "Coca-Cola" is a colorable imitation of "Polar Cola," but "Polar Cola" is not a colorable imitation of "Coca-Cola"? If, as this Court has said, the public is entitled to get what it chooses, it is entitled to get "Polar Cola" and not "Coca-Cola" when "Polar Cola" is ordered. And conversely, when it orders "Coca-Cola," it is entitled to get "Coca-Cola." If the names are so much alike that one is likely to be understood when the other is ordered, then it follows as an obvious corollary that confusion is likely and *one mark is a colorable imitation of the other.*

### *C. The Conflict of Cases.*

The second question presented is whether a Court may nullify the protection granted a trade-mark registered under the Federal statutes by holding that "Polar Cola" [27] is not a colorable imitation of the registered trade-mark "Coca-Cola" when other Courts have held its phonetic equivalents "Apola Cola" [28] and "Polo-Kola" [29] to be colorable imitations of "Coca-Cola" and enjoined their use.

In the "Apola Cola" case the validity of the registered trade-mark "Coca-Cola" was challenged and the Circuit Court of Appeals found that "It is certainly beyond dispute that the word 'Coca-Cola' is the exclusive property of The Coca-Cola Company." [30]

In the "Polo-Kola" case the validity of the trade-mark "Coca-Cola" was conceded.

---

[27] Generally pronounced "Pola Cola." See page 8, *supra.*

[28] *Dixi-Cola Laboratories, Inc.*, v. *Coca-Cola Co.*, 117 F. (2d) 352; 155 F. (2d) 59, 62.

[29] *Coca-Cola Co.* v. *Belinsky*, 57 F. Supp. 120.

[30] 117 F. (2d) 352, at page 354.

In this case, also, the validity of the trade-mark "Coca-Cola" is conceded.

The petition for certiorari is based on the conflict of decisions as to what constitutes a colorable imitation—and therefore infringement. The basic situation is the same as that presented in *Sanitary Refrigerator Co.* v. *Winters*, 280 U.S. 30.

In each of the three trade-mark cases referred to above, defendant's product imitated "Coca-Cola" in color, appearance and taste and passing off had occurred. In the "Apola Cola" case and the "Polo-Kola" case infringement was found and passing off was enjoined, but in the "Polar Cola" case all relief was denied. This conflict is comparable to that presented in *Fashion Guild* v. *Federal Trade Commission*, 312 U.S. 457, in which certiorari was granted because of the conflict resulting from decisions of the Courts of Appeals for the First and Second Circuits as to what constituted unfair competition.

The decisions of the Courts below in this case are likewise basically and fundamentally in conflict with the decision of the Eighth Circuit Court of Appeals holding "Cleo-Cola" to be a colorable imitation of and an infringement of "Coca-Cola."[31] In the "Cleo-Cola" case there was, as in this case, imitation of product in taste, appearance and color, a *progressive approximation* of petitioner's distinctive features brought about by successive changes in the display of the mark—first by changing the color scheme to red and white, then by changing the form of writing the mark to simulate the script form of writing "Coca-Cola." Passing off at bars and taverns was proved in the "Cleo-Cola" case, although the extent of such proof was considerably less than in the present case.

---

[31] *Cleo Syrup Corp.* v. *Coca-Cola Co.*, 139 F. (2d) 416; cert. den. 321 U.S. 781.

The evidence in this case with regard to infringement and unfair competition is substantially the same as was before the Courts in the "Gay-Ola" case,[32] "Fletcher's Coca Cola" case,[33] "Taka-Kola" case,[34] "Chero-Cola" case,[35] "Apola Cola" and "Lola Kola" case,[36] "Cleo-Cola" case [37] and the "Polo-Kola" case.[38] In each of these cases the mark was held to be a colorable imitation of "Coca-Cola" and the passing off was enjoined. In the present case, on the basis of substantially the same evidence, except that the passing off was more flagrant and more intense, the Courts below held that "Polar Cola" was *not* a colorable imitation and the passing off was *not* enjoined.

It is urged that this presents a *conflict* which must be resolved by this Court in order that the purposes of the Federal trade-mark statutes may be realized.

### *D. Conclusion.*

"Polar Cola," as a matter of law, is a colorable imitation of the registered trade-mark "Coca-Cola."

To hold otherwise, particularly in the light of all the *proved circumstances surrounding its use and the resulting passing off*, will reduce the protection of registered trade-marks to an ineffective theory and will create a precedent for Court sanction of confusion and deception of the public. Furthermore, it will encourage others to imitate with impunity.

---

[32] 200 F. 720; cert. den. 229 U.S. 613.
[33] 215 F. 527.
[34] 271 F. 600; cert. den. 256 U.S. 703.
[35] 273 F. 755.
[36] 117 F. (2d) 352; 155 F. (2d) 59.
[37] 139 F. (2d) 416; cert. den. 321 U.S. 781.
[38] 57 F. Supp. 120.

To hold otherwise will result in irreconcilable conflict between the decision of the Court below and the decisions in other circuits, thereby bringing about uncertainty, instability and confusion.

Considering recent Congressional action on the subject of trade-marks under which the rights of registrants are *broadened*, it is submitted that the decision of the Court below is directly in conflict with the legislative intent evidenced by said Act.

It is respectfully urged that the petition for certiorari be granted.

POPE F. BROCK,
HUGH D. McLELLAN,
*Attorneys for Petitioner.*

HERRICK, SMITH, DONALD, FARLEY & KETCHUM,
1 Federal Street, Boston 10, Massachusetts,
SPALDING, SIBLEY, TROUTMAN & KELLEY,
434 Trust Co. of Georgia Bldg., Atlanta 3, Georgia,
DAPHNE ROBERT,
P.O. Box 1734, Atlanta 1, Georgia,
*Of Counsel.*